

The CREATE Graduates Act

Sponsored by Senator Kay Hagan (NC)

In today's tough economic environment we know that an associate's degree is a valuable tool that helps graduates compete for jobs, earn higher wages, and build a brighter future. However, thousands of students across North Carolina, and the United States, never receive the degrees that they have earned—even after completing all the requirements to graduate. They often leave school frustrated and loaded with debt, but no degree.

The Need for Legislation

Each year, thousands of community college students who haven't yet received a degree transfer to four-year universities. These students often complete courses at the university that, if taken at community college, would have earned them an associate's degree. However, if these students leave the university before graduation for any number of reasons – to start a job, care for family, or because they could no longer afford the cost of a four-year institution – they are left with nothing to show for their hard work, even though they may have completed all the requirements to earn their associate's degree.

As a result, these students – many of whom who have invested several years and thousands of dollars pursuing higher education – enter the job market with nothing but a high school diploma. Without a college degree, these individuals are less likely to secure employment, and, once they do find work, they bring home a smaller salary than their peers who have an associate's degree and earn approximately \$500,000 less over a lifetime.

Legislation Summary

The Correctly Recognizing Educational Achievements to Empower (CREATE) Graduates Act will help young people to receive the degrees that they have earned by creating incentives for institutions of higher education to establish “reverse transfer” programs, or initiatives to transfer back credits from a four-year university to the community college where a student without a degree was initially enrolled. As a result, this bill will allow eligible students to obtain the associate's degrees that they have earned and, consequently, enter the job market better prepared to compete and ready to succeed.

This bill awards competitive grants to states to encourage institutions to identify and reach out to students who have a combination of community college and four-year university credits that may qualify for an associate's degree—but have never received one. Specifically, this legislation will:

- **Increase degree attainment by competitively awarding grants to States to:**
 - Locate and award degrees to students who have accumulated enough credits to earn an associate's degree but have not received one.
 - Provide outreach to students within 12 credits of obtaining an associate's degree.
 - Implement procedures to help future students receive degree audits and other important information about graduation requirements.
- **Meet an Important Need in the Workforce**
 - According to the Bureau of Labor Statistics, nearly half of employed college graduates across the country are in jobs that require less than a four-year college education.

- Although the number of college graduates is projected to increase by 19 million in the next two decades, the number of jobs requiring a four-year college degree is only expected to increase by 7 million during that time.
 - However, 60 percent of jobs now require at least some higher education or training, and experts predict that this number will continue to rise.
 - An associate's degree enables young people to capitalize on these trends and obtain a level of education and training that will position them to succeed in today's economy.
- **Build on Existing Successes**
 - Reverse transfer programs have already enabled thousands of students to obtain their associate's degree in states including Arkansas, Colorado, Georgia, Florida, Hawaii, Maryland, Michigan, Minnesota, Missouri, New York, North Carolina, Ohio, Oregon, Tennessee, and Texas.